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Review of the District of Columbia Public School System's Fiscal Years 2001 and 2002 Cellular Telephone Service Expenditures

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EXECUTIVE SUMMARY

PURPOSE

Pursuant to Section 455 of Public Law 93-198, the District of Columbia Auditor initiated a comprehensive review of the District of Columbia Public School System's (DCPS) operations, finances, and management. With this particular review, the Auditor examined DCPS's management of and expenditures for telecommunications services and equipment during fiscal years 2001 and 2002. The principal focus of this examination was cellular telephone service and equipment expenditures.

CONCLUSION

The Auditor's examination of the acquisition, use, and cost of wireless telecommunications services and equipment revealed that DCPS completely mismanaged this function.

During fiscal year 2001, DCPS paid a total of $2,960,741 for all telephone services and equipment, of which $2,566,393 were paid for land line telephone services and $394,349 were paid for cellular telephone services, which included $43,186 in "add-on" charges. Of the $394,349 paid for cellular telephone services, OFRM paid $59,025 from DCPS intra-district funds pursuant to a Memorandum of Understanding between DCPS and OFRM, and DCPS directly paid $335,323.

During fiscal year 2002, DCPS paid a total $4,075,009 for all telephone services and equipment, of which $3,546,372 were paid for land line telephone services and equipment, and $528,638 were paid for cellular telephone services and equipment, which included $20,912 in add-on charges. In fiscal year 2002, total telephone service charges increased $1,114,268, or 27.6%. Specifically, cellular telephone expenditures increased by $134,289, or 25%, over fiscal year 2001 expenditures. The increase in cell phone payments from 2001 to 2002 may be attributed to the DCPS's acquisition of approximately 119 more cell phones and cell phone service plans in fiscal year 2002.

The audit team found no supporting documentation for $74,836 in cell phone service payments for fiscal year 2001 and $276,220 for fiscal year 2002. Without supporting documentation, it was impossible to validate the legitimacy of these expenditures. DCPS's inability to provide the Auditor with documentation to support payments totaling $351,056 for fiscal years 2001 and 2002 indicates a dysfunctional system of internal management and accounting controls and extremely poor recordkeeping practices. In the absence of supporting documentation, the Auditor could not attest to the legitimacy of these payments.

DCPS failed to establish internal written policies and procedures governing the acquisition, use, monitoring, and control of its cellular telephones. The Auditor found no evidence that DCPS leadership had developed and implemented a system of monitoring and tracking the location, use, and cost of cell phone equipment and service. In fact, DCPS's communications manager could not produce an inventory of cell phone equipment for fiscal years 2001 or 2002, and could not provide a list of DCPS employees to whom cell phones had been assigned.

The Auditor found that DCPS substantially failed to comply with the Office of the Chief Technology Officer's Telecommunications Standards and Management Policy in the following areas:

1. wireless services and equipment were not purchased from OCTO approved vendors;

2. wireless services and equipment were not properly accounted for in a centralized inventory system or database;

3. accountable DCPS central administration managers, specifically the Director of Communications, failed to regularly, if at all, scrutinize and manage the acquisition, cost, and use of cell phones and other wireless devices assigned to DCPS employees; and

4. DCPS employees were not held accountable for abuse and misuse of cell phone services and equipment.

School system management purchased and assigned cellular telephones to employees whose job responsibilities did not warrant the need for cell phones. Further, the overwhelming majority of cellular telephone equipment and services used by DCPS employees was acquired outside of OCTO's prescribed process and was not obtained from OCTO approved wireless service and equipment vendors.

The Auditor found that DCPS's management of the acquisition and use of cellular telephone equipment and services was disorganized and uncontrolled. As a consequence of this uncontrolled, misguided approach, a multitude of different service plans and providers with varying costs were acquired. The Auditor found no evidence that DCPS leadership considered the potential inefficiencies and adverse fiscal impact of decentralized acquisition of wireless telephone services and equipment by DCPS managers who lacked experience in acquiring such services and equipment on behalf of the government.

The leadership of DCPS should ensure that the management of and accountability for its wireless communications equipment and services are substantially improved. These improvements must, at a minimum, include competent management of the communications function, the creation of a wireless telecommunications inventory, the establishment of an accurate list of all DCPS employees assigned cell phones, the cancellation of existing cell phone service plans and the acquisition of service plans through OCTO's Request for Telephone Services Process only from OCTO approved vendors. Finally, DCPS executive management should develop and implement a policy and criteria under which cell phones are assigned on the basis of need as dictated by an employee's job responsibilities.

MAJOR FINDINGS

1. DCPS paid $2,960,741 for telephone services during fiscal year 2001 and $4,075,009 for fiscal year 2002.

2. DCPS could not provide supporting documents for cellular telephone expenditures of $74,836 for fiscal year 2001, and $276,220 for fiscal year 2002.

3. DCPS did not establish written policies and procedures governing the acquisition, use, monitoring, and control of cellular telephones.

4. DCPS used seven different wireless telephone service providers not approved by OCTO and 22 different cellular service plans during the review period.

5. DCPS did not maintain an inventory of cellular telephones acquired, issued, and used during fiscal years 2001 and 2002.

MAJOR RECOMMENDATIONS

1. The Superintendent of DCPS and the DCPS Chief Financial Officer must ensure that vouchers, journal entries, and other transactions have adequate supporting documentation before being processed for payment, and that all records are retained and available for a period of not less than three fiscal years.

2. The Superintendent, CFO, and Agency Telecommunications Coordinator (ATC) for DCPS must ensure compliance with OCTO's existing policies and procedures regarding cellular phone acquisition and use, ensure that all DCPS employees are informed of existing rules and restrictions, and ensure consistent and thorough monitoring of cell phone use and costs.

3. DCPS should strengthen or supplement OCTO's existing policies and procedures to more accurately reflect the needs of DCPS and ensure adequate oversight and monitoring of cell phone service acquisition and use, and provide clearly defined responsibilities and prohibitions for school managers and employees, including consequences of abuse or inappropriate use of cell phone services and equipment assigned to them.

4. The Superintendent, CFO, and Agency Telecommunications Coordinator (ATC) should ensure that all policies are adhered to and that any abuse of cellular telephone services and equipment are promptly detected and the appropriate corrective action taken.

5. DCPS should only use wireless cellular telephone service providers that are approved by OCTO for all District of Columbia government agencies.

6. DCPS must immediately evaluate the cellular phone needs of each employee that is currently assigned this equipment and determine need based upon the employee's job responsibilities. Underutilized cellular telephones and services should be taken out of use or reassigned to employees whose jobs clearly warrant the need for such equipment.

7. The DCPS Superintendent must immediately ensure that the DCPS Office of Information Techonology conducts an inventory of all cellular telephone equipment and services acquired by the school system over the past three fiscal years. The inventory must indicate the number and location of each phone in use by DCPS.

8. DCPS should periodically perform a physical inventory of cellular telephones and update the database so as to accurately track and account for DCPS wireless telecommunications equipment.

9. The Superintendent hold the manager of DCPS's Office of Information Technology and DCPS employees accountable to the fullest extent permitted under District and DCPS personnel regulations for any failure to comply with the District's Telecommunications Standards and Management Policy; obtain telecommunications equipment and services

through the District's Request for Telephone Services Process; and ensure that cellular telephone services and equipment are recorded in the recommended telecommunications inventory system. In addition, existing cell phone service plans should be cancelled and new services plans obtained, when fully justified, through OCTO's Request for Telephone Services Process from OCTO approved vendors.

PURPOSE

Pursuant to Section 455 of Public Law 93-198, the District of Columbia Auditor initiated a comprehensive review of the District of Columbia Public School System's (DCPS) operations, finances, and management. With this particular review, the Auditor examined DCPS's management of and expenditures for telecommunications services and equipment during fiscal years 2001 and 2002. The principal focus of this examination was cellular telephone service and equipment expenditures.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of the examination were to determine:

1. the total costs incurred for telephone services during fiscal years 2001 and 2002;

2. whether payments made by DCPS and the Office of Finance and Resource Management (OFRM) for DCPS telecommunications expenses were supported by appropriate documentation;

3. whether DCPS established written policies and procedures regarding the acquisition and use of cellular telephone equipment and service;

4. the total number of cellular telephones in use by DCPS employees during fiscal years 2001 and 2002; and

5. the number of cellular telephone plans used by DCPS during fiscal years 2001 and 2002, in addition to the advantages and disadvantages of the plans.

The scope of the audit included an examination of payments made for telecommunications services by DCPS and OFRM using DCPS funds during fiscal years 2001 and 2002, with particular emphasis placed upon the acquisition and use of cellular telephone equipment and service plans. In conducting the audit, the Auditor reviewed the Memorandum of Understanding (MOU) between DCPS and OFRM for telecommunications expenses, data from the District's System of Accounting and Reporting (SOAR), voucher payments, journal entries, and intra-district payments. The Auditor also reviewed information provided by the Office of the Chief Technology Officer (OCTO) regarding cellular telephone equipment and service plan agreements established by OCTO with three vendors for District-wide use, as well as information provided by DCPS regarding authorized cellular telephone users. The audit team interviewed accountable DCPS managers and employees responsible for and knowledgeable about the acquisition of cellular phones and services and their use during the review period.

BACKGROUND

According to the fiscal years 2001 and 2002 operating budget and financial plan, the mission of the District of Columbia Public Schools is to "make dramatic improvements in the achievement of all students today in preparation for their world tomorrow." DCPS is governed by a nine-member Board of Education consisting of four members appointed by the Mayor and confirmed by the Council of the District of Columbia, and five elected members including a President. The day-to-day management and direction of all matters pertaining to instruction and operations are handled by a Superintendent appointed by the Board of Education. DCPS functions as both a local education agency (LEA) and a state education agency (SEA).

During fiscal years 2001 and 2002, DCPS finances were handled by a Chief Financial Officer (CFO) appointed by and under the management direction and control of the Chief Financial Officer of the District of Columbia. Although appointed by and under the management control of the District's CFO, the DCPS CFO is expected to serve the budget, financial management, and reporting needs of the Superintendent of DCPS and the Board of Education.

Office of Finance and Resource Management

The Office of Finance and Resource Management (OFRM), which is under the organizational umbrella and management control of the Chief Financial Officer of the District of Columbia, is responsible for paying utility, telecommunications, rent and other costs for District government agencies. According to information presented in the Fiscal Year 2001 Operating Budget and Financial Plan, OFRM was established primarily to provide budget and financial services and centralized miscellaneous vendor payments for various agencies. OFRM is also responsible for budget development and execution, vendor payments, and financial oversight services.

Each year OFRM provides financial services to DCPS which necessitates the intra-district transfer of funds from DCPS to OFRM in order to make payments to vendors for telephone, custodial, security, and other services.

Office of the Chief Technology Officer

The Office of the Chief Technology Officer (OCTO) is responsible for providing oversight of the District's information and telecommunications technology function. OCTO's responsibilities include developing and enforcing policies, procedures, and standards regarding the economical acquisition and effective use of telecommunications technology by agencies, departments, and employees of the District of Columbia government.

FINDINGS

DCPS PAID $2,960,741 FOR ALL TELEPHONE SERVICES DURING FISCAL YEAR 2001 AND $4,075,009 FOR FISCAL YEAR 2002

During fiscal year 2001, DCPS paid a total of $2,960,741 for all telephone services and equipment, of which $2,566,393 were paid for land line telephone services and $394,349 were paid for cellular telephone services and equipment, which included $43,186 in "add-on" charges.[1] Land line telephone services were generally paid by the Office of Finance and Resource Management (OFRM) using DCPS funds. Of the $394,349 paid for cellular telephone services, OFRM paid $59,025 from DCPS intra-district funds pursuant to a Memorandum of Understanding between DCPS and OFRM, and DCPS directly paid $335,323. If DCPS Managers had complied with policies and procedures applicable to the acquisition of cellular telephone equipment and services, all telecommunications payments should have been made by OFRM.

During fiscal year 2002, DCPS paid a total $4,075,009 for all telephone services and equipment, of which $3,546,372 were paid for land line telephone services, and $528,638 were paid for cellular telephone services and equipment, which included $20,912 in "add-on" charges. In fiscal year 2002, total telephone service charges increased $1,114,268, or 37.6%. Specifically, cellular telephone expenditures increased by $134,289, or 34%, over fiscal year 2001 expenditures. The increase in cell phone payments from 2001 to 2002 may be attributed to DCPS's acquisition of approximately 119 more cell phones and related service plans in fiscal year 2002.

In fiscal year 2002, OFRM paid $134,019 of the $528,638 in cell phone service and equipment charges from DCPS intra-district funds and DCPS directly paid $394,619. Again, if DCPS managers had complied with policies and procedures applicable to the acquisition of cellular telephone equipment and services, all payments for telecommunications should have been made by OFRM. Table I presents cellular and land line telephone service payments made by OFRM and DCPS during fiscal years 2001 and 2002.

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[1] Add-on charges include roaming charges, long distance calls, off-peak hour calls, late fees, and calls made to 911 and 411. Add-on charges also include charges for exceeding minutes on a cellular telephone plan or two-way radio plan, internet access by calling telephone, having cellular paging access, and, in some cases, accessing land line voice mail with cellular telephone.

Table I
DCPS Telecommunications Payments Made by OFRM and DCPS
For Fiscal Years 2001 And 2002

Fiscal Year	Paying Agency	Land Line Telephone Payments	Cellular Telephone Payments	Total Payment
2001	OFRM	$2,566,392.94	$ 59,025.32	$2,625,418.26
2001	DCPS		335,323.21	335,323.21
Total FY-2001		**$2,566,392.94**	**$394,348.53**	**$2,960,741.47**
2002	OFRM	$3,546,371.79	$134,018.86	$3,680,390.65
2002	DCPS		394,618.78	394,618.78
Total FY-2002		**$3,546,371.79**	**$528,637.64**	**$4,075,009.43**

Source: Vouchers and journal entries received from DCPS and SOAR

DCPS COULD NOT PROVIDE SUPPORTING DOCUMENTATION FOR CELLULAR TELEPHONE EXPENDITURES TOTALING $74,836 FOR FISCAL YEAR 2001 AND $276,220 FOR FISCAL YEAR 2002

Generally Accepted Government Auditing Standards (GAGAS) issued by the General Accounting Office (GAO), and the policies of the District's Chief Financial Officer all address the importance of internal control and appropriate documentation and retention of records related to transactions. The GAO's Internal Control Standard states: "All transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination. All documentation and records should be properly managed and maintained."

The audit team reviewed supporting documentation for cellular telephone payments made directly by DCPS for fiscal years 2001 and 2002. The audit team found no supporting documentation for cellular phone service payments totaling $74,836 for fiscal year 2001 and $276,220 for fiscal year 2002. Without supporting documentation, it was impossible to validate the legitimacy of these expenditures.

DCPS's inability to provide the Auditor with documentation to support payments totaling $351,056 for fiscal years 2001 and 2002 indicates a dysfunctional system of internal administrative, management, and accounting controls, and extremely poor recordkeeping practices. In the absence of these documents, the Auditor could not attest to the legitimacy of these payments.

RECOMMENDATION

> The Superintendent of DCPS and the DCPS Chief Financial Officer must ensure that vouchers, journal entries, and other transactions have adequate supporting documentation before being processed for payment, and that all records are retained and available for a period of not less than three fiscal years.

DCPS DID NOT ESTABLISH WRITTEN POLICIES AND PROCEDURES GOVERNING THE ACQUISITION, USE, MONITORING, AND CONTROL OF CELLULAR TELEPHONES

DCPS failed to establish internal written policies and procedures regarding acquisition, use, monitoring, and control of its cellular telephones. In response to a request to accountable DCPS managers for written policies and procedures governing DCPS cellular telephone acquisition and use during fiscal years 2001 and 2002, not one DCPS manager claimed to be aware of the existence of such policies and procedures. One DCPS official informed the audit team that there was a "verbal understanding" between DCPS employees and management that cellular telephones should be used only for job related duties and responsibilities. The Auditor found no evidence that DCPS leadership had developed and implemented a system of monitoring and tracking the location, use, and cost of cell phone service and equipment. In fact, DCPS's communications manager could not provide an inventory of DCPS cell phone equipment for fiscal years 2001 or 2002, and could not provide a list of DCPS employees to whom cell phones had been assigned.

Practices In Other Jurisdictions

Many governments and government agencies have recognized the need to adopt and implement policies governing the acquisition and use of wireless communication devices, including cellular telephones. Such issues as need based acquisition, use restrictions and monitoring, privacy and confidentiality, and safety and liability are areas in which guidance is needed regarding the acquisition and use of cellular telephones. Across the country, several states and municipalities have adopted policies and procedures governing cell phone acquisition, use, and monitoring. For example, the State of Minnesota adopted a policy governing cell phone purchases, payments, and reimbursements, which addresses the following:

- the methodology, types of services, and justifications for acquiring cell phones;
- payment of cell phone charges, including verification of charges, supervisory review of billings, and ensuring proper employee usage; and
- employee reimbursement policies.

Minnesota has also adopted a statewide policy on electronic communication and technology ethics that addresses department head and employee responsibility; what constitutes appropriate and inappropriate use; and requirements for monitoring.

The Auditor for the State of Washington issued written guidance to city mayors, managers and administrators addressing the need to develop policies and procedures for cellular telephone acquisition and employee use. The State Auditor's Office recommended that if a city chooses to purchase cellular phones for employees, the city should adopt an acquisition policy setting forth conditions under which the city will purchase cellular phones, adopt a cellular phone policy restricting use to business related calls, and develop a reimbursement agreement for occasional employee personal calls. Further, Washington State's Department of Information Services issued more specific instructions regarding development of a cell phone acquisition and use policy, which included examples of elements to be addressed by the policy. State agencies were encouraged to identify agency employees whose job responsibilities require the use of cellular telephones and establish agency policies and procedures through which cellular phones are to be acquired. The guidance states that:

> State owned cellular telephone and services are only to be used to conduct agency business, except in the event of an emergency. Cellular telephones should not be used when a less costly alternative is safe, convenient, and readily available. Records shall be maintained to monitor shared usage of cellular phones. Reasonable precautions should be made to prevent equipment theft and vandalism.

Similar policies have also been adopted within the federal government. The National Institute of Health (NIH), Office of Information Technology, has adopted standards governing the acquisition, inventory, billing and disposition of cellular telephone services and equipment. NIH's policy prescribes the duties and responsibilities of agency managers and authorized procedures, and sets out procedures for documenting requests for cellular telephones, reassignment of cellular telephones, acquisition, inventory, billing, and disposition.

In the District of Columbia government, the Office of the Chief Technology Officer (OCTO) is the entity charged with the responsibility of establishing policies and procedures regarding cell phone acquisition and use. The Auditor reviewed the District of Columbia Telecommunications Standards and Management Policy that OCTO issued to District government agencies, including DC Public Schools. OCTO's Telecommunications Standards and Management Policy clearly defines management and employee responsibilities regarding cellular telephone service acquisition and use. The major provisions of the policy are designed to improve, modernize, and maintain an economical, effective and efficient government-wide telecommunications system.

Pursuant to the policy, each agency director has the authority to acquire cellular telephone service and assign the phones to employees whose job responsibilities require availability or safety. Other provisions of the Telecommunications Standards and Management Policy require that all wireless services be purchased from approved vendors only and strictly prohibits District government employees from using government cell phones to place local or long distance personal calls, dialing 1010 prefix numbers, 900 calls, 976 numbers, and directory assistance. The policy also requires agency directors to ensure that wireless telephone services and equipment are properly used and accounted for, and states that "each agency director shall scrutinize and manage the use of multiple wireless communications devices (pagers, portable and mobile cellular telephones) by individual employees..."

Further, the District of Columbia Telecommunications Standards and Management Policy states that:

> ...Each employee is responsible for using government telecommunication technology correctly to complete work related tasks which serve constituents of the District of Columbia or aid in conducting business with others on behalf of the DC Government. Any employee action, which results in abuse or misuse of telecommunication services, will result in disciplinary action up to and including dismissal.

The Auditor found that DCPS substantially failed to comply with the District's Telecommunications Standards and Management Policy, at a minimum, in the following areas:

1. wireless services and equipment were not purchased from OCTO approved vendors;

2. wireless services and equipment were not properly accounted for in a centralized inventory system or database;

3. accountable DCPS central administration managers, specifically the Director of Communications, failed to regularly, if at all, scrutinize and manage the acquisition and use of cell phones and other wireless devices assigned to DCPS employees; and

4. DCPS employees were not held accountable for abuse and misuse of cell phone service and equipment.

Given the increasing reliance on cellular telephones and similar wireless modes of communication, DCPS's mismanagement of this function and its failure to adopt, fully implement, and provide adequate notice to employees regarding standard policies and procedures governing cell phone acquisition and use exposed the school system to misuse, excessive costs, and unanticipated financial liability.

Other jurisdictions have conducted reviews relating to cell phone acquisition and use and found numerous weaknesses. For example, a committee of the Mississippi legislature conducted a review of cell phones in November 2001 and found that:

- there was no centralized process for the procurement of cellular phones and calling plans or to assess the need for cellular service; and

- there were no government-wide controls or policies outlining standards of need or appropriate use of government-owned cellular phones.

In another review, Kansas City, Kansas government workers' misuse of cellular phones were reported to have added nearly $750,000 a year to the cost of using wireless communications. The review found that multiple plans were being used, calls were made at all times of the night, users exceeded the minutes allotted by particular plans, and many calls lasted more than one hour. While much of the excessive charges were due to misuse, the review also found that the charges were high because city managers failed to ensure that employees were on the proper cell phone plan.

The Auditor found similar deficiencies at DCPS. School system management purchased and assigned cellular telephones to employees whose job responsibilities did not warrant the need of cell phones. Some cellular telephones assigned to DCPS employees were underutilized. For example, one school purchased a cellular plan for three phones with air time of 200 monthly minutes per phone at a cost of $75.59 per phone per month for a total of $226.77 per month. One of the cell phones was used only 15 minutes, another was used only one minute, and the other was used for only

13 minutes costing DCPS $226.77 for 29 minutes of air time use for one month, or $7.82 per minute. The Auditor found another instance in which a school paid $69 per month for 1,300 minutes of monthly cell phone service in which none of the minutes were used.

Without strict adherence to OCTO's Telecommunications Standards and Management Policy, DCPS will likely continue to incur unnecessary and excessive costs that will negatively impact its overall financial health.

DCPS Used Seven Different Wireless Telephone Service Providers Not Approved by OCTO and 22 Different Cellular Phone Service Plans During The Review Period

The Auditor found that Verizon, AT&T, and Nextel were the only cellular telephone vendors approved for District government use beginning February 1, 2002. On February 1, 2002, OCTO issued three blanket purchase agreements[2] (BPAs) to Verizon, AT&T, and Nextel to provide District government agencies with wireless telephone services and equipment. Each vendor has a General Services Administration (GSA) contract permitting an agreement between the District of Columbia government and these vendors to provide wireless telephone services and equipment to District government agencies in accordance with the terms of the GSA contract.

Before and after February 1, 2002, District government agencies including DCPS were required to utilize the Office of the Chief Technology Officer's Request for Telephone Service (RTS)[3] process to acquire cellular telephone services and equipment. The Auditor's review of journal entries processed in fiscal year 2001 revealed that DCPS did not use OCTO's RTS process to acquire cell phone equipment or service. However, in fiscal year 2002, DCPS used OCTO's RTS process only six times to acquire cell phone services totaling $1,999.77. Thus, the overwhelming majority of cellular telephone equipment and services used by DCPS employees was obtained outside of OCTO's prescribed process from non-District government sanctioned wireless service and equipment providers.

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[2] 27DCMR 1899.1 defines a blanket purchase agreement as a pre-contractual agreement with a vendor that establishes a charge account for supplies or services which allows an agency to make small purchases without the issuance of a purchase order for each individual purchase. Payments are made on a monthly basis.

[3] Request for Telephone Service (RTS) is an order form which is filled out with written justification for all telecommunication acquisitions and is submitted by each Agency Telecommunications Coordinator (ATC), with the proper approval signature affixed, to the Office of the Chief Technology Officer (OCTO) for review and approval.

Notwithstanding the availability of competitively priced cell phone services and equipment through the three vendors approved by OCTO, the Auditor's review revealed that at least 10 vendors provided cellular telephone services to DCPS. Seven were not vendors approved by OCTO to provide cellular telephone service to District agencies, and the Auditor saw no evidence that these services were acquired competitively. The audit team also identified 22 different cell phone service plans purchased by DCPS managers with no discernible basis for the selection of the particular plan. Of the 22 cell phone service plans purchased by DCPS managers, 18 were purchased in fiscal year 2001 and four additional plans were purchased in fiscal year 2002. The various cell phone service plans used by DCPS during fiscal years 2001 and 2002 are listed in Appendix I.

The Auditor found that the disorganized manner with which DCPS managed the acquisition, use, and accountability for cellular telephone equipment and services allowed managers, including school principals, to select and obtain directly from vendors their own cellular telephone equipment and service plans. As a consequence of this uncontrolled, misguided approach, a multitude of different plans and providers with varying costs were acquired. For example, a school prepaid $2,505.09 for seven cell phone plans and equipment for twelve months, however, the phones were used for six months after which service was terminated. The Auditor found no evidence that DCPS's leadership considered the potential adverse fiscal impact of decentralized acquisition of wireless telephone services and equipment, or the inherent inefficiencies and risks involved in permitting the acquisition and use of a variety of wireless vendors and service plans which were often based on the limited considerations of accountable DCPS managers.

In sum, the failure of DCPS to comply with OCTO's Telecommunications Standards and Management Policy and acquire cell phone service and equipment through OCTO from approved vendors contributed to the following deficiencies:

- The purchase of wireless services and equipment from vendors not approved by OCTO;

- DCPS managers purchasing multiple wireless telephone service plans without establishing any discernible criteria as to service needs, economical cost, or compatibility with existing telecommunications equipment; and

- DCPS management's failure to establish an adequate system of monitoring and tracking cell phone use and recovering the costs of personal cell phone calls.

RECOMMENDATIONS

1. The Superintendent, Chief Financial Officer, and Agency Telecommunications Coordinator (ATC) for DCPS must ensure compliance with OCTO's existing policies and procedures regarding cellular phone acquisition and use, ensure that all DCPS employees are informed of existing rules and restrictions, and ensure consistent and thorough monitoring of cell phone use and costs.

2. DCPS should strengthen or supplement OCTO's existing policies and procedures to more accurately reflect the needs of DCPS and ensure adequate oversight and monitoring of cell phone service acquisition and use, and provide clearly defined responsibilities and prohibitions for school managers and employees, including consequences of abuse or inappropriate use of cell phone services and equipment assigned to them.

3. The Superintendent, Chief Financial Officer, and Agency Telecommunications Coordinator should ensure that all policies are adhered to and that any abuse of cellular telephone services and equipment are promptly detected and the appropriate corrective action taken.

4. DCPS should only use wireless cellular telephone service providers that are approved by OCTO for all District of Columbia government agencies.

5. DCPS must immediately evaluate the cellular phone needs of each employee that is currently assigned this equipment and determine need based upon the employee's job responsibilities. Underutilized cellular telephones and services should be taken out of use or reassigned to employees whose jobs clearly warrant the need for such equipment.

DCPS DID NOT MAINTAIN AN INVENTORY OF CELLULAR TELEPHONES ACQUIRED, ISSUED, AND USED DURING FISCAL YEARS 2001 AND 2002

The OCTO's Telecommunications Standards and Management Policy states:

...The Agency Director or ATC is to maintain an up-to-date and accurate, but separate inventory of Wireless and Pager equipment, which lists the make and model of the equipment; the assigned staff and/or vehicle date the unit was assigned or

> installed; and the date the unit was returned; de-installed, or taken out of use. This inventory must be made available to OCTO's Telecommunications Division immediately upon request. The official shall ensure that government telecommunication property is returned to inventory upon a user's departure from the agency or the government. All thefts of such property shall be immediately reported to the Metropolitan Police Telecommunications Division.

The Auditor found that DCPS management failed to establish and maintain a centralized inventory of wireless and pager equipment purchased and used during fiscal years 2001 and 2002. The Auditor determined that 485 cellular telephones and 1,245 two-way radios/walkie talkies, and pagers were assigned to various DCPS employees during fiscal year 2001. During fiscal year 2002, 604 cellular telephones and 836 two-way radios/walkie talkies and pagers were assigned to various DCPS employees. A consolidated inventory of this equipment would assist the agency in determining the total number of cellular telephones it has, to whom they are assigned, where they are located or stored, how many are currently damaged or otherwise out of service, and how many were lost or stolen. For example, during fiscal year 2001, one school paid monthly bills for two cellular telephones that were lost or stolen. Because DCPS's Office of Communications did not maintain an inventory of cellular telephones during fiscal years 2001 and 2002, DCPS could not determine the total number of cellular telephones the school system had in use or manage them effectively to achieve cost efficiencies and prevent abuse and misuse of these assets.

Effective, functioning internal controls over assets require periodic inventories and accounting of agency property. The CFO's Financial Policies and Procedures established specific policies and procedures to ensure that inventories are properly accounted for and safeguarded. The CFO's Policies and Procedures Manual, subsection 1030.300, states, in relevant part, that:

A. Each agency Director must designate an agency Property Control Officer to account for inventory and ensure that all divisions within the agency comply with the Manual.

B. The agency controller must receive all inventory representations from the Property Control Officer and approve reconciliations and adjustments to the detailed accounting records resulting from physical inventory.

C. Adequate accounting control over inventory must be established and maintained.

D. If the total value of inventory is $25,000 or more, then a perpetual inventory system must be used. Otherwise, either a periodic or perpetual inventory system may be used.

E. District agencies should perform a complete physical inventory annually if a periodic inventory system is used. If a perpetual inventory system is used, a complete physical inventory should be performed at least once every three years. However, periodic testing during the year of items in the inventory must be performed to verify the accuracy of the perpetual inventory records.

Appendix II presents information on the number of DCPS cell phones in use in fiscal years 2001 and 2002. The information presented in Appendix II had to be constructed by the Auditor from documents obtained from a variety of sources. However, even this information is incomplete because a significant number of employees in schools contacted by the Auditor failed or refused to respond to the Auditor's request for information. Additionally, information obtained from these sources cannot be accurately matched to a cell phone database.

RECOMMENDATIONS:

1. The DCPS Superintendent must immediately ensure that the DCPS Office of Information Technology conducts an inventory of all cellular telephone equipment and services acquired by the school system over the past three fiscal years. The inventory must indicate the number and location of each phone in use by DCPS.

2. DCPS should periodically perform a physical inventory of cellular telephones and update the database so as to accurately track and account for DCPS wireless telecommunications equipment.

3. The Superintendent hold the manager of DCPS's Office of Information Technology and DCPS employees accountable to the fullest extent permitted under District and DCPS personnel regulations for any failure to comply with the District's Telecommunications Standards and Management Policy; obtain telecommunications equipment and services through the District's Request for Telephone Services Process; and ensure that cellular telephone services and equipment are recorded in the recommended telecommunications inventory system. In addition, existing cell phone service plans should be cancelled and new services plans obtained, when fully justified, through OCTO's Request for Telephone Services Process from OCTO approved vendors.

ADVANTAGES AND DISADVANTAGES OF CELL PHONE PLANS PURCHASED BY DCPS COULD NOT BE DETERMINED

As previously discussed, as a result of the uncontrolled, disorganized manner with which cellular telephone services and equipment were acquired, assigned, and used, DCPS purchased 22 different cellular telephone service plans. The Auditor could not assess the advantages and disadvantages of the various plans because complete and accurate data to make such an assessment could not be provided by DCPS's Office of Information Technology. Data required for such an assessment would include, but not be limited to, individual user profiles, justification for the purchase or a statement as to how the purchase would serve or promote the mission of the office or school system, estimated usage, and actual usage. Appendix II lists the 22 plans purchased by DCPS during fiscal years 2001 and 2002. The appendix includes the name of the vendor or plan, the access charge, basic service included, peak and off-peak hours, monthly 911 tax, long distance and directory assistance costs, voice mail and late fee charges, and additional call/minute charges. Knowledge of whether the cell phone was to be used during business hours, after business hours, or during the weekend would be required to assess whether the employee responsible for acquiring the service chose the most useful and cost beneficial plan. Without such data or knowledge, particularly in the case where the purchaser did not choose one of the OCTO approved vendors or submit a request for telephone services to OCTO, it is unclear what criteria was used to select a particular plan.

The Auditor's review of the various cell phone plans purchased by DCPS during fiscal years 2001 and 2002 revealed that some of the plans were geared more towards the needs of the general public rather than the needs of DCPS. For example, some plans purchased included features such as unlimited night and weekend minutes and nationwide long distance which generally would not be necessary to meet the needs of DCPS. Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday. As a result, features such as unlimited night and weekend minutes and long distance would most likely be used for personal calls. The prices of cell phone service plans varied and ranged from $2.99 through $99.99 per month.

CONCLUSION

The Auditor's examination of the acquisition, use, and cost of wireless telecommunications services and equipment revealed that DCPS completely mismanaged this function.

During fiscal year 2001, DCPS paid a total of $2,960,741 for all telephone services and equipment, of which $2,566,393 were paid for land line telephone services and $394,349 were paid for cellular telephone services, which included $43,186 in "add-on" charges. Of the $394,349 paid for cellular telephone services, OFRM paid $59,025 from DCPS intra-district funds pursuant to a Memorandum of Understanding between DCPS and OFRM, and DCPS directly paid $335,323.

During fiscal year 2002, DCPS paid a total $4,075,009 for all telephone services and equipment, of which $3,546,372 were paid for land line telephone services and equipment, and $528,638 were paid for cellular telephone services and equipment, which included $20,912 in add-on charges. In fiscal year 2002, total telephone service charges increased $1,114,268, or 27.6%. Specifically, cellular telephone expenditures increased by $134,289, or 25%, over fiscal year 2001 expenditures. The increase in cell phone payments from 2001 to 2002 may be attributed to the DCPS's acquisition of approximately 119 more cell phones and cell phone service plans in fiscal year 2002.

The audit team found no supporting documentation for $74,836 in cell phone service payments for fiscal year 2001 and $276,220 for fiscal year 2002. Without supporting documentation, it was impossible to validate the legitimacy of these expenditures. DCPS's inability to provide the Auditor with documentation to support payments totaling $351,056 for fiscal years 2001 and 2002 indicates a dysfunctional system of internal management and accounting controls and extremely poor recordkeeping practices. In the absence of supporting documentation, the Auditor could not attest to the legitimacy of these payments.

DCPS failed to establish internal written policies and procedures governing the acquisition, use, monitoring, and control of its cellular telephones. The Auditor found no evidence that DCPS leadership had developed and implemented a system of monitoring and tracking the location, use, and cost of cell phone equipment and service. In fact, DCPS's communications manager could not produce an inventory of cell phone equipment for fiscal years 2001 or 2002, and could not provide a list of DCPS employees to whom cell phones had been assigned.

The Auditor found that DCPS substantially failed to comply with the Office of the Chief Technology Officer's Telecommunications Standards and Management Policy in the following areas:

1. wireless services and equipment were not purchased from OCTO approved vendors;

2. wireless services and equipment were not properly accounted for in a centralized inventory system or database;

3. accountable DCPS central administration managers, specifically the Director of Communications, failed to regularly, if at all, scrutinize and manage the acquisition, cost, and use of cell phones and other wireless devices assigned to DCPS employees; and

4. DCPS employees were not held accountable for abuse and misuse of cell phone services and equipment.

School system management purchased and assigned cellular telephones to employees whose job responsibilities did not warrant the need for cell phones. Further, the overwhelming majority of cellular telephone equipment and services used by DCPS employees was acquired outside of OCTO's prescribed process and was not obtained from OCTO approved wireless service and equipment vendors.

The Auditor found that DCPS's management of the acquisition and use of cellular telephone equipment and services was disorganized and uncontrolled. As a consequence of this uncontrolled, misguided approach, a multitude of different service plans and providers with varying costs were acquired. The Auditor found no evidence that DCPS leadership considered the potential inefficiencies and adverse fiscal impact of decentralized acquisition of wireless telephone services and equipment by DCPS managers who lacked experience in acquiring such services and equipment on behalf of the government.

The leadership of DCPS should ensure that the management of and accountability for its wireless communications equipment and services are substantially improved. These improvements must, at a minimum, include competent management of the communications function, the creation of a wireless telecommunications inventory, the establishment of an accurate list of all DCPS employees assigned cell phones; the cancellation of existing cell phone service plans and the acquisition of service plans through OCTO's Request for Telephone Services Process only from OCTO approved vendors. Finally, DCPS executive management should develop and implement a policy and criteria under which cell phones are assigned on the basis of need as dictated by an employee's job responsibilities.

Respectfully submitted,

Deborah K. Nichols
District of Columbia Auditor

AGENCY COMMENTS

AGENCY COMMENTS

On April 25, 2003, the Office of the District of Columbia Auditor submitted this report in draft for review and comment to the following officials and employees of the District of Columbia Public Schools: the Superintendent, Chief Operating Officer, Acting Chief Financial Officer, Board of Education President, Director of Compliance, Director of Telecommunications, and DCPS Chief Technology Officer. The draft report was also submitted for review and comment to the Chief Technology Officer of the District of Columbia and the Associate Chief Financial Officer of the Office of Finance and Resource Management. On September 8, 2003, after additional data collection and evaluation efforts, the draft report was re-submitted for an abbreviated period of review and comment to the same officials and employees.

The Superintendent of the District of Columbia Public Schools provided written comments on May 16, 2003 and amended written comments on September 17, 2003. The Associate Chief Financial Officer of the Office of Finance and Resource Management provided written comments on May 14, 2003. Where appropriate, changes were made to the final report to reflect the comments received. The amended written comments provided by the Superintendent and the written comments provided by the Associate Chief Financial Officer of the Office of Finance and Resource Management are appended, in their entirety, to the final report.

DISTRICT OF COLUMBIA PUBLIC SCHOOLS

OFFICE OF THE SUPERINTENDENT
825 North Capitol Street, NE, 9th Floor
Washington, D.C., 20002-1994
(202) 442-5885 – fax: (202) 442-5026

September 17, 2003

Ms. Deborah K. Nichols
District of Columbia Auditor
Office of the District of Columbia Auditor
717 14th Street, N.W., Suite 900
Washington, DC 20005

Dear Ms. Nichols:

Thank you for providing the District of Columbia Public Schools (DCPS) with an opportunity to respond to your draft audit report titled *Review of the District of Columbia Public School's Fiscal Years 2001 and 2002 Cellular Telephone Service Expenditures.*

DCPS concurs with the report's recommendations and our responses include a proposed corrective action plan for each of your recommendations (see Attachment A). I believe that our corrective actions are both responsive to the recommendations and will enhance the necessary controls for cellular telephone services.

Should you have any questions regarding this letter or our proposed corrective action plan, please contact John Cashmon, the DCPS Director of Compliance, at 202-442-5656.

Thank you.

Sincerely,

Paul L. Vance
Superintendent

Review of the District of Columbia Public School's Fiscal Years 2001 and 2002 Cellular Telephone Service Expenditures

Recommendation: The Superintendent of DCPS and the DCPS Chief Financial Officer must ensure that vouchers, journal entries, and other transactions have adequate supporting documentation before being processed for payment and that all records are retained and available for a period not less than three fiscal years

DCPS Response: DCPS concurs with the recommendation and will take the necessary steps to improve both its document filing and retention practices.

Recommendation: The Superintendent; Chief Financial Officer, and Agency Telecommunications Coordinator (ATC) for DCPS must ensure compliance with OCTO's existing policies and procedures regarding cellular phone acquisition and use, ensure that all DCPS employees are informed of existing rules and restrictions, and ensure consistent and through monitoring of cell phone use and costs.

DCPS Response: DCPS concurs with the recommendation. The DCPS Office of Information & Technology (OIT) will by October 31, 2003, take the following corrective actions.

- Develop a series of policies and procedures for cellular telephone use and acquisition within DCPS that complies with OCTO's current policies. These policies and procedures will be provided to all cellular telephone users.
- Begin discussions with OCTO and Office of Finance and Resource Management (OFRM) to determine the feasibility of DCPS receiving monthly detailed usage records for each of the DCPS cellular telephones.

By December 31, 2003 the following corrective actions will be taken:

- Receive detailed reports from OCTO and OFRM on cell phone use and cost for each DCPS cell phone. These reports will be the basis for monitoring use and cost.
- OIT's Telecommunications Unit with the Office of Compliance will develop a methodology to monitor cellular telephone use and costs and to identify users who significantly under or over utilize their cell phones.

Recommendation: DCPS should strengthen or supplement OCTO's existing policies and procedures to more accurately reflect the needs of DCPS and ensure adequate oversight and monitoring of cell phone service acquisition and use, and provide clearly defined responsibilities and prohibitions for school managers and employees including consequences of abuse or inappropriate use of cell phone services and equipment assigned to them.

DCPS Response: DCPS concurs with the recommendation. DCPS has taken action to address the acquisition of cellular telephone services by requiring all purchases of cellular equipment and services be reviewed and approved by the OIT's Telecommunications Unit. This allows DCPS to ensure that the equipment and plans purchased are reasonable under the circumstances. This practice was put into place during the current fiscal year.

As noted in the previous response, OIT will, by October 31, develop written policies and procedures addressing cellular telephone use and acquisition. This policy will include an acceptable use policy and policies for reimbursement of personal use by the DCPS managers or employees.

Recommendation: The Superintendent, Chief Financial Officer, and Agency Telecommunications Coordinator should ensure that all policies are adhered to and that any abuse of cellular telephone services and equipment are promptly detected and appropriate corrective action taken.

DCPS Response: DCPS concurs with the recommendation. OIT's Telecommunications and the Office of Compliance will, by December 31, 2003, develop a monitoring methodology that will both review cellular telephone use and identify instances of possible abuse by DCPS managers and employees.

Recommendation: DCPS should only use wireless cellular telephone service providers that are approved by OCTO for all District of Columbia government employees.

DCPS Response: Corrective action has been implemented. The OIT's Telecommunications Unit has migrated all DCPS cellular telephone users to the three approved service providers.

Recommendation: DCPS must immediately evaluate the cellular phone needs of each employee that is currently assigned this equipment, and determine the need based on the employee's job responsibilities. Underutilized cellular telephones and services should be taken out of use or reassigned to employees whose jobs clearly warrant the need for such equipment.

DCPS Response: DCPS concurs with the recommendation. OIT's Telecommunications Unit will, by December 31, 2003, have evaluated with appropriate DCPS officials all of the cellular telephone users and required services. The number of telephones and the services for each will be adjusted accordingly.

Recommendation: The DCPS Superintendent must immediately ensure that DCPS Office of Communications conduct an inventory of all cellular telephone equipment and services acquired by the school system over the past three fiscal years. The inventory must indicate the number and location of each phone in use by DCPS.

DCPS Response: DCPS concurs with the recommendation. DCPS has developed a database of the existing cellular telephones and is currently verifying the accuracy of the data. This process has been completed by OIT.

Recommendation: DCPS should periodically perform a physical inventory of cellular telephones, and update the database so as to accurately track and account for DCPS wireless telecommunications equipment.

DCPS Response: DCPS concurs with the recommendation and with the assistance of OCTO and OFRM will verify its database and conduct a physical inventory of cellular telephones. We anticipate that this will be completed by December 31, 2003.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF FINANCE AND RESOURCE MANAGEMENT

MAY 15

MEMORANDUM

TO: Deborah K. Nichols, District of Columbia Auditor
Office of the District of Columbia Auditor

FROM: Barbara Jumper, Associate Chief Financial Officer
Office of Finance and Resource Management (OFRM)

DATE: May 14, 2003

SUBJECT: Response to Draft Report

The Office of Finance and Resource Management (OFRM) is in receipt of the draft report entitled "Review of the District of Columbia Public School's Fiscal Years 2001 and 2002 Cellular Telephone Service Expenditures," dated April 25, 2003. We have reviewed your draft report. Although there were no findings or recommendations directed to our office, the Office of Finance and Resource Management is committed to providing effective and efficient financial services to the District of Columbia agencies under our purview. Thank you for providing us a copy of the draft report.

I wish to thank you and your staff for affording OFRM the opportunity to comment on this draft report.

APPENDICES

APPENDIX I

District of Columbia Public Schools
Cellular Telephone Plans:
Fiscal Years 2001 and 2002

Vendor/Plan	Basic Access Charge	Basic Service Included	Peak (P) Off Peak (OP), 911	Long Distance (LD), Directory Asst.(DA)	Voice Mail (VM), Late Fee (LF) Toll Free 800 (TF)	Additional Call/Minute Charge
Nextel GSA Cellular Performance 600	$49.46	600 minutes/month of incoming and outgoing calls	$0.15/min for (P) and (OP) $0.56/monthly 911 tax	$0.15/min for (LD) $0.99/call for (DA)	(VM) and (TF) no charge (LF) charges between 3.5% and less than 5%	$0.25/min
Nextel Super 600 Cellular	$69.00	600 minutes/month	$0.15/min for (P) and (OP) $0.56/monthly 911 tax	$0.15/min for (LD) $0.85/ (DA) call	(VM) and (TF) no charge (LF) charges between 3.5% and less than 5%	$0.25/min
Nextel GSA Account Advantage	$40.50	Unlimited monthly service charge for walkie-talkie	$0.15/min for (P) and (OP) $0.56/monthly 911 tax	$0.99/ (DA) call	$0.15/min for (VM) (TF) no charge (LF) charges between 3.5% and less than 5%	$0.25/min
Nextel Government Performance 200	$41.81	200 minutes/month of incoming and outgoing calls	$0.56/monthly 911 tax	$0.99/ (DA) call	$0.15/min for (VM) (TF) no charge (LF) charges between 3.5% and less than 5%	$0.25/min
Nextel GSA Inbound Nbp 600	$80.95	600 minutes/month of incoming and outgoing calls	$0.56/monthly 911 tax (P) and (OP) $0.25/ min	$0.25/min for (LD) call $0.99/ (DA)	(VM) and (TF) no charge (LF) charges between 3.5% and less than 5%	$0.35/min

Vendor/Plan	Basic Access Charge	Basic Service Included	Peak (P) Off Peak (OP), 911	Long Distance (LD), Directory Asst.(DA)	Voice Mail (VM), Late Fee (LF) Toll Free 800 (TF)	Additional Call/Minute Charge
Nextel GSA Cellular Performance 250	$39.45	250 minutes/month	$0.56/monthly 911 tax $0.30/min (P) $0.15/min (OP)	$0.15/min (LD) $0.99/ (DA) call	(VM) and (TF) no charge	$0.30/min
Nextel Premium 600 Plus	$54.99	600 minutes/month	(P) and (OP) $0.25/ min $0.56/monthly 911 tax	$0.15/m in (LD) $1.19/(DA) call	(VM) and (TF) no charge, 1% charge on (LF) amount owed	$0..25/min
Nextel Get Right Through 5000	$49.99	500 any time monthly cellular minutes, 2000 nights and weekends, 2500 monthly/minutes for 2-way radio	(P) and (OP) $0.25/ min $0.56/monthly 911 tax	$0.15/min (LD) $1.19/(D A) call	(VM) and (TF) no charge 1% charge on (LF) amount owed	$0..25/min
Nextel Local 500 UPC	$54.99	Unlimited 2-way radio	Not Available	Not Available	(VM) and (TF) no charge 1% charge on (LF) amount owed	Not Available
Premium Account Advantage Plus	$15.00	50 minutes direct connect for 2-way radio	(P) and (OP) $0.15/min for 2-way radio $0.56/monthly 911 tax	Not Available	1% charge on account balance (LF) No charge (VM)	Not Available
Corporate Performance 250	$35.00	250 Cellular Monthly minutes, 50 Pool/share monthly minutes for -2-way radio	(P) and (OP) $0.10/ min for cellular, $0.12/min for 2-way radio $0.56/monthly 911 tax	$0.15/min (LD) $1.19/(D A) call	(VM) and (TF) no charge, 1% charge on account balance (LF)	Not Available
Verizon Plan # 009150	$55.00	400 minutes/month	$0.35/min (P) and (OP) $0.56/monthly (911) tax	$$0.25/mi n for (LD) $0.99/ (DA) call	1.5%on account balance (LF) No charge (VM)	$0.35/min

Vendor/Plan	Basic Access Charge	Basic Service Included	Peak (P) Off Peak (OP), 911	Long Distance (LD), Directory Asst.(DA)	Voice Mail (VM), Late Fee (LF) Toll Free 800 (TF)	Additional Call/Minute Charge
CellularOne/ Cingular Digital Edge 200	$34.99	200 minutes/month	$0.56/call for (911)	$0.99/call for (DA)	(VM) no charge $5.00 (LF)	$0.35/min
CellularOne/ Cingular Digital Edge 1300	$99.99	1300 minutes/month	$0.56/call (911)	$0.99 (DA) $0.25/min (LD)	(VM) no charge $5.00 (LF)	$0.25/min
CellularOne/ Cingular Digital Edge 600	$54.99	600 minutes/month	$0.56/call (911)	$0.25/min (LD) $0.99/call (DA)	(VM) no charge $5.00 (LF)	$0.35/min
CellularOne/ Cingular Digital Edge 25	$17.99	25 minutes/month	$0.56/call (911) $0.35 (P) and (OP)	$0.35/min (LD) $0.99/call (DA)	(VM) no charge $5.00 (LF) $0.35 (TF)	$0.35/min
Cingular Home 400	$39.99	400 minutes/month of unlimited night and weekends and free long distance calls from home up to the 400 minutes	$0.56/call (911)	$0.35/min (LD) $0.99/call (DA)	(VM) no charge $5.00 (LF)	$0.35/min
Cingular Home 800	$69.99	800 minutes/month of unlimited night and weekends and free long distance calls from home up to the 800 minutes	$0.56 /call (911) $0.25/min (P) no charge (OP)	$0.99/call (DA)	(VM) no charge $5.00 (LF)	$0.25/min

Vendor/Plan	Basic Access Charge	Basic Service Included	Peak (P) Off Peak (OP), 911	Long Distance (LD), Directory Asst.(DA)	Voice Mail (VM), Late Fee (LF) Toll Free 800 (TF)	Additional Call/Minute Charge
Cingular Home 650	$49.99	650 minutes/month of unlimited night and weekends and free long distance calls from home up to the 650 minutes	$0.56/call (911) $0.25/min (P) no charge (OP	$0.99/call (DA) $0.25 (LD)	(VM) no charge $5.00 (LF)	$0.35/min
Cingular Home 225	$29.99	225 minutes/month	$0.56/call (911) $0.35/min (P) and (OP)	$0.99/call (DA) $0.25 (LD)	(VM) no charge $5.00 (LF)	$0.35
State of Maryland Plan	$2.99	Monthly service charge for Cell One Domestic LD and detailed billing	$0.24/min (P) $0.04/min (OP) $0.56 (911)	$0.99 (DA)	$0.24/min (TF) 800 calls	$0.24/min
Rate Plan M	$5.95	Monthly service charge	$0.30/ min (P) calls between 7:00 a.m. -9:00 p.m. $0.11/min (OF) calls after these hours. $0.56/ call (911)	$0.99/call (DA)	(VM) no charge $5.00 (LF)	$0.30/min for calls between 7:00 a.m. - 9:00 p.m. $0.11/min for calls after these hour

Source: Vendor invoices received from DCPS and DCA telephone interview with Vendor representatives. P = Peak, OP= Off Peak, LD = Long Distance, DA=Directory Assistance, VM = Voice Mail, LF = Late Fee, TF = Toll Free

APPENDIX II

District of Columbia Public Schools
Cellular Telephone Inventory By Vendor
Fiscal Years 2001 and 2002

Office	FY-2001 Number of Cellular Telephones	FY-2001 Number of Two-Way Radios & Pagers	FY-2002 Number of Cellular Telephones	FY-2002 Number of Two-Way Radios & Pagers
Nextel Communications				
Division of Transportation	82	900	220	616
Division of School Security-MVM	18	None	36	None
Division of Student Services	1	1	None	None
Division of Student Intervention	21	None	21	None
Macfarland Middle School	16	None	6	None
Office of Telecommunications	1	None	1	None
Division of Facilities Management	69	192	74	201
DCPS Warehouse	6	None	6	None
Ballou Senior High School	14	None	5	None
Garnet Wilkinson Elementary School	2	None	None	None
Cardozo Senior High School	9	None	10	None
Dunbar Senior High School	None	None	None	None
Sharpe Health School	1	9	1	None
Elliot Center/ MM Washington*	None	5	1	None
Walker Jones Elementary	None	None	2	None
Bancroft Elementary School	2	None	None	None
MM Washington	None	None	None	None
Logistical Support Services	9	27	None	None
Meyer Elementary School	10	None	None	None
Office of Bilingual Education- Roosevelt S.H.	1	None	1	None
H.D. Woodson Senior High School	1	None	1	None
Ferebee- Hope Elementary School	2	None	3	None

Office	FY-2001 Number of Cellular Telephones	FY-2001 Number of Two-Way Radios & Pagers	FY-2002 Number of Cellular Telephones	FY-2002 Number of Two-Way Radios & Pagers
Office of the Chief Financial Officer	6	None	5	None
Athletic Department	17	None	19	None
Business & Finance Academy SWSC	1	None	1	None
Oak Hill Academy	5	None	5	None
Takoma Elementary	1	None	1	None
Langdon School	3	None	1	None
R.H. Brown Middle School	7	None	7	None
Hart Middle School	None	None	1	None
Winston Educational Center	None	None	1	None
R.H. Terrell	None	None	1	None
J.F. Cooke Elementary	None	None	1	None
Davies Elementary	None	None	1	None
Ketchem Elementary	None	None	1	None
Murch Elementary	None	None	1	None
Oyster Elementary	None	None	1	None
Hamilton Center	None	None	1	None
Rudolph Elementary	None	None	1	None
Gibbs Elementary	None	None	1	None
Eaton Elementary	None	None	1	None
Gage-Eckington Elementary	None	None	1	None
Tubman Elementary	None	None	1	None
Business & Finance Academy SWSC	1	None	1	None
West Elementary	None	None	1	None
Office of Career & Technology	1	None	1	None
Malcolm X Elementary School	1	None	1	None
Office of Migrant Education	2	None	2	None
Office of Special Education	1	None	1	None
Nevell Thomas Elementary School	3	None	3	None
Division of Food Services	19	None	19	None
Woodrow Wilson Senior High School	8	None	8	None

Office	FY-2001 Number of Cellular Telephones	FY-2001 Number of Two-Way Radios & Pagers	FY-2002 Number of Cellular Telephones	FY-2002 Number of Two-Way Radios & Pagers
Verizon				
Management Information Systems	27	None	None	None
Office of the Chief Financial Officer	2	None	2	None
Walker Jones Elementary	1	None	None	None
West Elementary	1	None	None	None
Office of Federal Grants	6	None	6	None
Garrison Elementary	1	None	1	None
Office of the General Counsel	3	None	3	None
Office of Realty	1	None	1	None
Office of the Superintendent	4	None	4	None
Office of Information & Technology	None	None	31	None
Metrocall				
Athletic Department	17	None	None	None
Cingular Wireless/Cellular One				
Randle Highlands Elementary	1	None	None	None
Special Education	1	None	1	None
Office of Communications	None	None	6	None
Office of the General Counsel	3	None	None	None
Communications Electronics of Virginia				
Hart Middle School	None	4	None	None
Winston Educational Center	None	7	None	None
R.H. Terrell	None	12	None	None
J.F. Cooke	None	4	None	None

Office	FY-2001 Number of Cellular Telephones	FY-2001 Number of Two-Way Radios & Pagers	FY-2002 Number of Cellular Telephones	FY-2002 Number of Two-Way Radios & Pagers
Motorola				
Davis Elementary	None	6	None	None
Ketchem Elementary	None	4	None	None
Murch Elementary	None	3	None	None
Oyster Elementary	None	6	None	None
Tubman Elementary	None	6	None	None
Moore Academy	None	6	None	None
H.D. Woodson Senior High School	None	10	None	None
Hamilton Center	None	10	None	None
AT&T Wireless				
Office of the Superintendent	3	None	3	None
Office of Academic Services	1	None	1	None
Office of Career & Technical Education	2	None	2	None
Office of Educational Accounting	1	None	1	None
Office of Human Resources	2	None	2	None
Office of Public Information Services	11	None	11	None
Randle Highlands Elementary	10	None	10	None
Office of Community & Educational Programs (TANF)	39	None	39	None
Lafayette Elementary	2	None	None	None
Ellington Senior High	1	None	None	None
Sprint				
Meyer Elementary	None	None	2	None
Rudolph Elementary	2	None	None	None

Office	FY-2001 Number of Cellular Telephones	FY-2001 Number of Two-Way Radios & Pagers	FY-2002 Number of Cellular Telephones	FY-2002 Number of Two-Way Radios & Pagers
Bearcom				
Eaton Elementary	2	None	None	None
Gage-Eckington	None	8	None	None
Images Audio Visual				
Gibbs Elementary	None	6	None	None
Arch Pagers				
Division of Food Service	None	19	None	19
Total	**485**	**1245**	**604**	**836**

Source: Data received from DCPS Communications Office of Compliance, schools, and program offices. * Elliot Center transferred 5 walkie/talkie radios to MM Washington which were later destroyed in a flood. Note: NR=No Response, CNBR= Could Not Be Reach